

Today's purpose:

Re-orient members to intent of Act 76

Report progress on the Clean Water Service Provider Rule

Describe the four new Grant Programs of Act 76

Describe prospective impacts of COVID-19 on this Effort.

Clean Water Service Delivery Act (Act 76 of 2019)

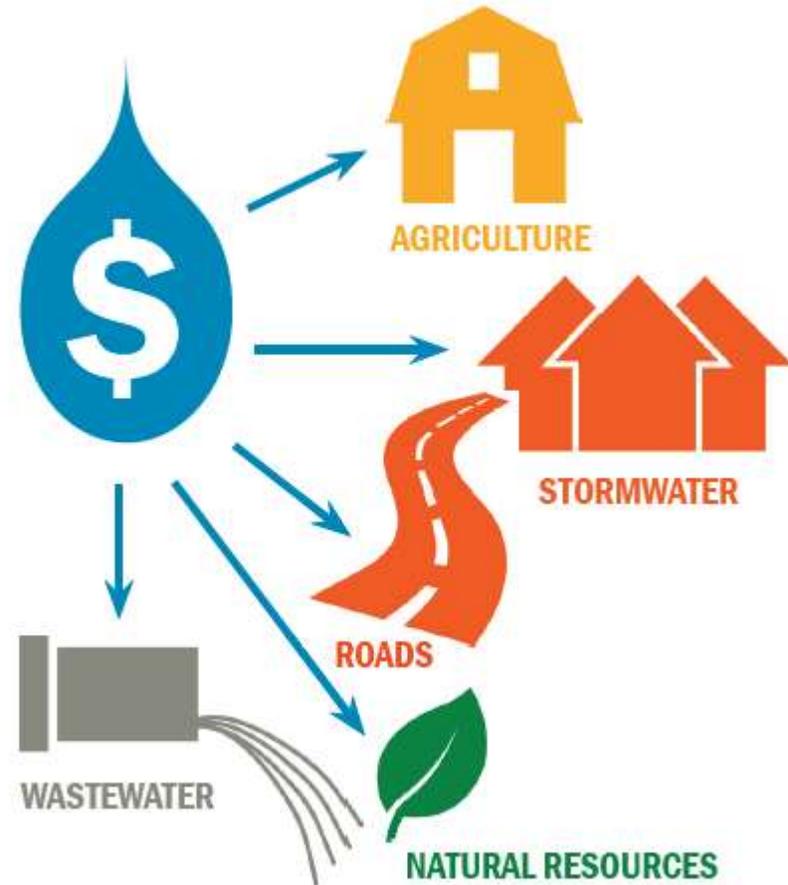
Long term clean water funding source, updated priorities

Decentralized network of CW Service Providers

Prioritizes funding of non-regulatory WQ projects

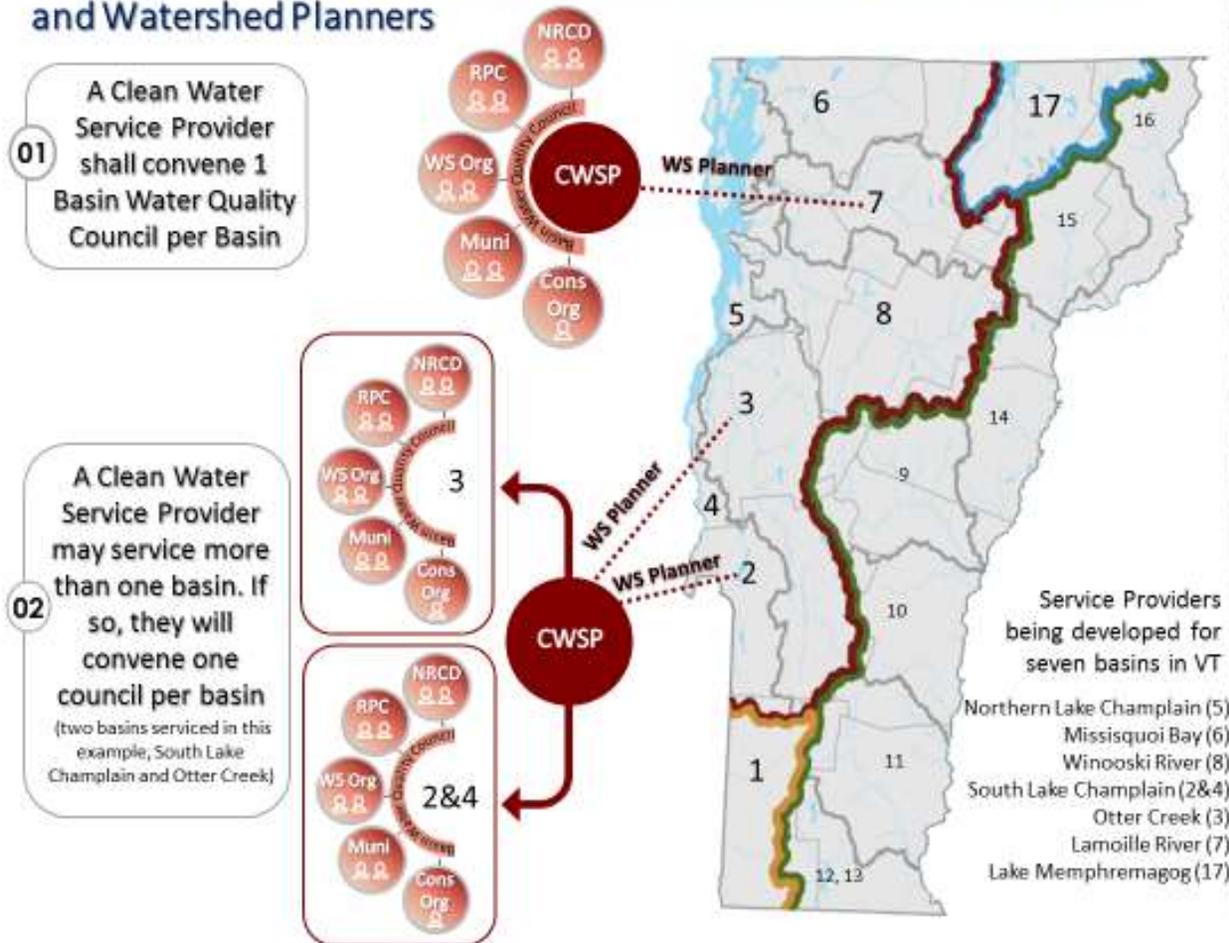
Prioritizes funding for operation and maintenance

Establishes pollution reduction targets, enhanced accounting



Decentralized network of CW Service Providers

Act 76: Clean Water Service Providers, Basin Water Quality Councils, and Watershed Planners



Funding Priorities and Sources

\$ Act 76 directs how the Clean Water Board will prioritize recommendations for Clean Water Fund and Capital Appropriations. Clean Water Service Providers will focus on the following Clean Water Board priorities

Clean Water Board

PRIORITY 1

Formula Grant
O&M
TBP Support

DEC Efforts to Date

Develop consistent understanding

Develop the Clean Water Service Provider Rule

Develop the Secretary's Guidance for CWSP

Additional activities

CW Planning and Project Evaluation

Rule and Guidance

Accounting Methods and Pollution Reduction Tracking

Grant Program Development



Develop consistent understanding

- Aug-Oct 2019
- Official “Launch” of Act 76 Implementation - Clean Water Initiative Webinar
- >20 Individual Stakeholder Meetings
- Preparation of 16-page Q+A
- Fact sheets
- Act 76 [website](#)

Partner groups engaged

Audubon VT

CRC

CWB

Echo Center

LCBP

NWSC

NRCC/VACD

TNC

UVM EPSCOR

UVM Ext

VAPDA

VELCO

VHCB

Water Caucus

WUV

CWSP Selection Process

- Nov-19 to Present
- Convened stakeholder advisory committee
- Developed criteria for CWSP
- Developed draft Request for Proposals
 - Comment closes Jan 24
- RFP open Feb 6 to May 28.



Stakeholder Advisory Committee
<i>NRCC/VACD</i>
<i>SAO</i>
<i>UVM CDAE</i>
<i>VAPDA</i>
<i>VHCB</i>
<i>Water Caucus</i>
<i>WUV</i>

Rule and Guidance

- Jan, 2020→May 2020
- In concert with stakeholder engagement group
- Examined Designated Agency Model
- Examined AoA Bulletins/Requirements
- Developed list of major Technical, Financial and Managerial topics
- Examined governance structures in light of Act 76 requirements



COVID-19 Impacts to Act 76 Implementation Efforts

- FY20 and FY21 CWF Performance
- CWSP Selection Process and Rule Development
- Stakeholder Engagement
- Accounting and Tracking
- Development of new grant programs

Act 76 Directs Clean Water Board to Prioritize Funding

Tiered Prioritization of Funding Recommendations from the Clean Water Board		
Tier 1	<p><u>Eligibility</u></p>  <p>Any eligible entity</p> <p>As directed by AAFM</p>	<p><u>Non-competitive (non-regulatory) funding:</u></p> <ul style="list-style-type: none"> To CWSPs – Reasonable Operations and Maintenance Costs To CWSPs – Water Quality Restoration Formula Grants To CWSPs – not more than 15% of the above may be used for administrative costs To RPCs, NRCOs, WUV - \$500K to support TBP, and Basin WQCs <p><u>Competitive (non-regulatory) funding:</u></p> <ul style="list-style-type: none"> Water Quality Enhancement and Protection Grants (25% of CWF, not to exceed \$5M) <p><u>Ag Water Quality Programs (to comply with Required Agricultural Practices)</u></p> <ul style="list-style-type: none"> Funding levels recommended by CWB appropriated to AAFM
Tier 2	Municipalities	Competitive (regulatory) Municipal Stormwater Implementation Grants*
Tier 3	Private Entities	Competitive (regulatory) Developed Lands Implementation Grants*

* "The grant(s) or financing program (to meet regulatory permit requirements) shall only be available in basins where a clean water service provider has met its annual goals or is making sufficient progress, as determined by the Secretary, towards those goals."

For more information:

Water Investment Division: <https://dec.vermont.gov/water-investment>

Act 76: <https://dec.vermont.gov/water-investment/statutes-rules-policies/act-76-clean-water-service-delivery>

Team:

Neil Kamman, neil.kamman@vermont.gov, 802-490-6137

Ethan Swift, ethan.swift@vermont.gov

Emily Bird, emily.bird@vermont.gov

Chris Rottler, chris.rotter@Vermont.gov



Kamman, HNRFW - Clean Water Service
Provider COVID Update

Supplemental information

A Network of Clean Water Organizations

Clean Water Service Provider	Basin Water Quality Council
<p>Receive Formula Restoration Grants to support O+M, identification, design, and construction of water quality projects.</p> <p>Prioritize projects listed in Tactical Basin Plans</p> <p>Use formula funds to support local partners to develop, build, and maintain projects.</p> <p>Adopt guidance consistent with ANR recommendations that spell out how funding shall be allocated to local partners</p>	<p>Establish policy and make decisions for the clean water service provider regarding the most significant water quality impairments that exist in the basin</p> <p>Prioritize the projects that will address those impairments based on the basin plan.</p>

Long Term Clean Water Funding Source

Clean Water Fund: 6% Rooms and Meals Tax
Property Transfer Tax Clean Water Surcharge
Escheats from unreturned bottle deposits

State Fiscal Year 2021 budget targets (CWF recommended 10/22/19):

$$\begin{matrix} \$20.6 & + & \$13.9 & = & \$ & 34.5 \\ \text{MILLION} & & \text{MILLION} & & \text{MILLION} \end{matrix}$$

Estimated Fiscal Year 2021 Clean Water Fund revenue from the Meals and Rooms Tax Allocation, Property Transfer Tax Surcharge, and Unclaimed Bottle Deposits.

Estimated Fiscal Year 2021 Capital Funds.

Estimated Fiscal Year 2021 Clean Water Budget.

Organizational Changes to support Act 76



Water Investment Division

"Planning, financing, building, and reporting on water infrastructure to support clean water for all Vermonters."



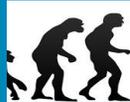
DEC has created a new Division dedicated to water infrastructure planning, financing, engineering, and reporting



Combines bench-strength of the state revolving fund financing programs and clean water funding programs to facilitate grant programs



Provides coordinated tactical basin planning support to bridge between DEC regulatory programs and municipal and CWSP-led efforts



Provides for evolution of granting programs to align with Act 76



Supports engineering services across all aspects of clean and drinking water infrastructure